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OFFICE OF PETITIONS

In re Patent No. 5,453,758	:	
Issue Date: September 26, 1995	:	Decision on Petition
Application No. 08/098,896	:	
Filing Date: July 29, 1993	:	
Attorney Docket No. SON417	:	

This is a decision on the reconsideration petition under 37 CFR 1.378(e) filed July 17, 2007 and supplemented on November 28, 2007 in response to a Request for Information, mailed September 28, 2007, to reinstate the above-identified patent.

The petition is **DENIED**.<sup>1</sup>

### **Background**

The patent issued September 26, 1995. The 7 ½ year maintenance fee could have been paid from September 26, 2002 through March 26, 2003 without a surcharge, or from March 27, 2003 through September 26, 2003 with a surcharge. The Office did not receive a timely payment. Accordingly, the patent expired September 27, 2003 for failure to timely submit the first maintenance fee.

A petition under 37 CFR 1.378(b) was filed on June 30, 2006. The petition was dismissed in a decision mailed May 17, 2007. On July 17, 2007 petitioner filed a reconsideration petition under 37 CFR 1.378(e). In response, on September 28, 2007, the Office mailed a Request for Information. On November 28, 2007, petitioner filed a petition for reconsideration under 37 CFR 1.378(e).

The contents of the prior decision on petition and the Request for Information are incorporated by reference into the present decision.

<sup>1</sup> This decision may be viewed as a final agency action within the meaning of 5 USC § 704 for purposes of seeking judicial review. See MPEP 1002.02. The terms of 37 C.F.R. 1.137(d) *do not* apply to this decision.

**Applicable Statute and Regulation**

35 U.S.C. 41(c)(1) states that:

“The Director may accept the payment of any maintenance fee required by subsection (b) of this section which is made within twenty-four months after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unintentional, or at any time after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.”

37 CFR 1.378(b) states that:

Any petition to accept an unavoidably delayed payment of a maintenance fee filed under paragraph (a) of this section must include:

- (1) the required maintenance fee set forth in §1.20 (e)-(g);
- (2) the surcharge set forth in § 1.20(i)(1); and
- (3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

**The Burden of Proof**

The statute requires a “showing” by petitioner. Specifically 35 U.S.C. 41(c)(1) states, “The Director may accept the payment ... if the delay is shown to the satisfaction of the Director to have been unavoidable.” Therefore, petitioner has the burden of proof.

**Opinion**

Petitioner asserts that the delay in payment of the second maintenance fee was due to a docketing error. Ms. Nao Miyamoto, a member of Sony’s foreign patent administration group, inadvertently completed an incorrect form, “Request for Final Disposition,” and entered status code 9, meaning “application withdrawn/dismissed,” for the above-identified patent on May 6, 1998. This information was entered into Sony’s docketing system. On the same day that she completed the “Request for Final Disposition” form for the patent, she entered that an application was filed for the reissue application in Sony’s docketing system (November 28, 2007 petition, p. 4). Her supervisor, Mr. Keisuke Tanaka reviewed the work of Ms. Miyamoto in

1998. One of his duties was to assure proper execution of tasks assigned to Ms. Miyamoto (July 17, 2007 petition, p. 12). Mr. Tanaka approved the use of the "Request for Final Disposition" form and the status code selection, as shown by his stamp on the form (July 17, 2007 petition, p. 7). This direction was not reviewed and confirmed by the individual responsible for annuities (July 17, 2007 petition, p. 8). As a result of these actions, the patent was dropped from Sony's docketing system and was not included in the list of patents given to Computer Packages Inc. (CPI) for scheduling and paying maintenance fees. CPI did not pay the 7 1/2 year maintenance fee.

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. 133 because 35 U.S.C. 41(c)(1) uses the identical language, i.e., "unavoidable delay". Ray v. Lehman, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting In Re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat 1898)). Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable. Ex Parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887)(the term "unavoidable" "is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used by prudent and careful men in relation to their most important business"); In Re Mattullath, 38 App. D.C. 497, 514-515 (D.C. Cir. 1912); Ex Parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913). In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account." Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). Finally, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay. Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

35 U.S.C. 41(c) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. 133. Consequently, a reasonably prudent person in the exercise of due care and diligence will take steps to ensure the timely payment of maintenance fees. Ray, 55 F.3d at 609, 34 USPQ2d at 1788. Thus, it follows that an adequate showing of unavoidable delay in payment of a maintenance fee, within the meaning of 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3), requires a showing of the steps taken to ensure the timely payment of the maintenance fees for the patent. Id. Where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee.

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(3).

Per MPEP 2590 Acceptance of Delayed Payment of Maintenance Fee in Expired Patent to Reinstate Patent, I. Unavoidable Delay: "...[E]vidence that despite reasonable care on behalf of the patentee and/or the patentee's agents, and reasonable steps to ensure timely payment, the maintenance fee was unavoidably not paid, could be submitted in support of an argument that the delay in payment was unavoidable. For example, an error in a docketing system could possibly result in a finding that a delay in payment was unavoidable if it were shown that reasonable care was exercised in designing and operating the system and that the

patentee took reasonable steps to ensure that the patent was entered into the system to ensure timely payment of the maintenance fees.

**Petitioner has failed to establish that reasonable care was exercised in operating the docketing system.**

The person responsible for entering information into the docketing database was Ms. Miyamoto. Ms. Miyamoto entered the filing information of the reissue application on May 6, 1998. On the same day, Ms. Miyamoto entered a status code to withdraw/dismiss the present patent from the docketing system (status code 9) (July 17, 2007 petition, p. 9). Routine practices and procedures within Sony at the time when the error occurred provided for the designation of status code 9 in the database of the original patent once the original patent reissues (July 17, 2007 petition, p. 8).

Petitioner has not shown that relying on Ms. Miyamoto represented the exercise of due care. Petitioner has not fully described Ms. Miyamoto's training or experience or reliability. Petitioner has not established that Ms. Miyamoto was properly trained in the clerical routine and informed of the proper status code and her work reviewed for the instance where a patent is in force and a pending reissue application has been filed. Petitioner has not provided a training manual or other written directions provided to Ms. Miyamoto. As stated by Sanae Takada in Exhibit G to the original petition, "... There was not a written manual for managing reissue cases in our section at that time. (Our present written manual was made in July 1999.) So I assume that an inexperienced clerk might input the status code "07" = withdrawal to the '758 patent by error although the application for the reissue for the '758 was still pending." (Status code 07 was formerly known as status code 9 (July 17, 2007 petition, p. 9)).

Petitioner states that Ms. Miyamoto received training from two experienced workers, both of whom have since left Sony. Ms. Miyamoto has left Sony, as well. Petitioner has not provided written reviews of any of Ms. Miyamoto's work, let alone whether or not her work had been reviewed for the instance where a reissue application was pending and the underlying patent had not lapsed.

Mr. Tanaka reviewed the work of Ms. Miyamoto. Mr. Tanaka approved the use of the "Request for Final Disposition" form, as well as the status 9 code, as shown by his stamp on the form (July 17, 2007 petition, p. 7). He approved the completed form on May 7, 1998, notwithstanding an instruction found within status code 9 to process after receiving the Letters Patent for the reissue (July 17, 2007 petition, p. 8). Petitioner believes Mr. Tanaka was properly trained in the clerical routine and proper status code (November 28, 2007 petition, p. 9). However, petitioner has provided no evidence to support the belief. Mr. Tanaka left Sony in 2005 (November 28, 2007 petition, p. 9).

Petitioner states that the Request for Final Disposition requires a confirmation of the person assigned to annuity matters. Ms. Masako Motosugi was assigned to annuity matters during the time that the error occurred. However, there is no indication of the Request being forwarded to Ms. Motosugi for her review and confirmation. Ms. Motosugi left Sony in 2006 (July 17, 2007 petition, p. 8).

Thus, three levels of the docketing system failed. Ms. Miyamoto selected an incorrect form and an incorrect code for the patent, Mr. Tanaka reviewed and approved the incorrect form and incorrect code for the patent, and Ms. Motosugi, the individual assigned to annuity matters, never reviewed and confirmed the instruction to abandon/withdraw the patent. Reasonable care was not exercised in the operation of the docketing system. Petitioner has not established that Ms. Miyamoto and Mr. Tanaka were sufficiently trained and experienced with regard to the clerical function and routine for its performance that reliance upon them represented the exercise of due care.

It is noted that petitioner has not provided any evidence that attempts to contact Ms. Miyamoto, Mr. Tanaka, Ms. Motosugi, or other individuals with knowledge of pertinent events or performance appraisals or training were undertaken.

The record, as it stands now, fails to show that petitioner took the due care of a reasonably prudent and careful person, in relation to his most important business. Pratt, supra. The record fails to establish that reasonable care was exercised in operating the docketing system.

### Decision

The prior decision which refused to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the reasons herein and stated in the previous decision and request for information, the entire delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. 41(c)(1) and 37 CFR 1.378(b). Therefore, the petition is **denied**. As stated in 37 CFR 1.378(e), the Office will not further consider or review the matter of the reinstatement of the patent.

A review of Office financial records for this patent reveals that despite the fact that petitioner authorized payment, the \$700.00 surcharge, the 7 ½ year maintenance fee, and the 11 ½ year maintenance fee have not been charged. Deposit account no. 18-0013 will be charged the \$700.00 surcharge. However, as the petition is denied, no maintenance fees will be charged. The reconsideration fee of \$400.00, submitted on mailroom date July 17, 2007, will be retained.

The patent file is being forwarded to Files Repository.

Telephone inquiries may be directed to Petitions Attorney Shirene Willis Brantley at (571) 272-3230.



Charles Pearson  
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